

## Testimony on Proposed Bill #5052 – AN ACT CONCERNING THE JEOPARDY COLLECTION OF TAXES.

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Jeopardy collection allows a Tax Collector to enforce collection of taxes not yet due if there is reason to believe that such tax is "jeopardized by delay." It is important to keep in mind that a tax bill becomes due nine months after the assessment date.

This proposed legislation will take away one of the tools used by tax collectors to provide revenues to the town which funds a great percentage of the municipal budget. There are several ways in which a collector may use jeopardy collection.

1. If a business is closing or moving it may not be possible for the collector to collect the money due to the town when it would normally be billed. (In Stonington I send a letter to the business along with the jeopardy bill explaining why the bill is being sent in advance of the regular billing time.)
2. When a taxpayer is removing a mobile home from a lot, the tax collector is required to sign off on a removal statement. At the time the taxpayer presents the removal statement a jeopardy bill is collected for the upcoming year. Once the mobile home has been removed it is impossible to collect that tax from the taxpayer because that person will usually be gone from the area.
3. A taxpayer who is delinquent for motor vehicle tax needs a clearance for DMV. It is highly unlikely that that person will pay the next upcoming bill in a timely manner. Therefore, jeopardy collection can be invoked before issuing a clearance to that person.

Both the removal of a mobile home and the motor vehicle jeopardy collection would be impossible if written notice were required for any of these collections. Those are collected at the counter when the taxpayer is in need of the signature of the collector.

Because we are in especially difficult financial times it is extremely important that the revenues to every town in Connecticut be kept as steady as possible. Tax Collectors work very hard to keep their collection rates high so that mill rates will not have to be raised any higher than necessary to fund services for residents. It is extremely important, therefore, that we be allowed to use all the enforcement methods available to us by law. Taking away collection tools only makes it more likely that revenue will no longer be collected as needed for each municipality.

Your support to defeat this proposed legislation would be greatly appreciated.

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